

C.I.A. IS BLAMED FOR LAOS CRISIS

WASHINGTON POLICY CONFLICT

ENCOURAGEMENT OF GEN. PHOUMI

From Our Own Correspondent
WASHINGTON, MAY 23

There have been many crises here recently but, engaged as it is in Europe and Asia, the Administration is now grappling with another near at hand. It is a familiar crisis but no less difficult; the Administration is now convinced that the Central Intelligence Agency has been up to its old devices again and must share a large part of the responsibility for the situation in Laos.

It is not easy to acquire all the details in such a murky situation, but apparently the evidence shows that the swarm of C.I.A. agents in Laos deliberately opposed the official American objective of trying to establish a neutral Government. They are believed to have encouraged General Phoumi Nosavan in the concentration of troops that brought about the swift and disastrous response of the Pathet Lao.

SUBSIDY SUSPENDED

It is also officially believed that the heavy pressure brought upon Prince Boun Oum and General Phoumi to accept the political solution of neutrality, including the suspension since February of the monthly subsidy of \$3m. (more than £1m.), failed because the agency provided them with some funds from its own capacious budget. The belief is that the agency transferred the money from its operations in Siam, where General Phoumi has family connexions.

It will be recalled that the C.I.A. played a large role in bringing about the downfall of Prince Souvanna Phouma, who was ousted by the General in 1960. Subsequently the danger of a forward and belligerent policy in Laos was clearly seen here, and largely because of the efforts of Mr. Averell Harriman, the Assistant Secretary of State for Far Eastern Affairs, the United States joined with Britain in an effort to create a neutral coalition government under Prince Souvanna Phouma.

But changes of staff and policy in the State Department are not always reflected at the other end of diplomatic tables, especially when the C.I.A. is involved. The agents who helped to bring down the Souvanna Phouma ministry remained in the country, and very much on the offensive. They were long suspected of influencing and strengthening the resistance against the political solution, but their involvement has since been proved to be deeper.

DIFFICULT TASK

The result of their clandestine endeavours is the defeat, and perhaps total demoralization, of the Royal Laotian forces; the commitment of American forces on the Asian mainland; and a deterioration of the political situation that could have ended the patient efforts to reach a political solution. Officials here would go further; the fear has been expressed that American intentions are now misunderstood in Laos, and to convince the right wing of the Princes of its determination to establish and support a neutral Laos will be difficult.

More believe it will be impossible, and accordingly there is a demand here for the removal of General Phoumi. This will not be easy but he will lose most of his American support and the suggestion is to be made that he should drop politics and return to soldiering.

The main problem remains. The reorganization of the C.I.A. has perhaps had too little time to take effect in distant outposts, but clearly agents are still employed whose enthusiasm for bringing Asian leaders knows no bounds. The unification of American operations in Laos is now regarded as urgent, and a Presidential order is requested.

FOIA b3b

CPYRGHT